



CONFIDENTIALITY POLICY

A. Information Obtained from Third Parties.

It is the policy of Beacon Specialized Living Services, Inc. (“Beacon”) to ensure that the operations, activities, and business affairs of the Beacon are kept confidential to the greatest possible extent. If, during the course of their employment, employees acquire confidential or proprietary information about Beacon and its customers, employees are required to handle such information in the strictest confidence and not discuss it with outsiders. Employees are responsible for the internal security of such information.

As we grow this company, Beacon is frequently bound by strict confidentiality obligations in connection with potential acquisitions and transactions or confidential information provided to Beacon by suppliers or customers. Each employee is responsible for adhering to these confidentiality requirements if he or she becomes aware of such information.

Any internal or external material regarding a potential transaction or any information regarding such transaction, its terms, or its conditions, must be kept confidential by all employees. In particular, these materials should not be used or disclosed in a way that might be detrimental to any party in the transaction.

Any confidential materials should be reviewed by and/or transmitted only to individuals with a bona fide “need to know.” If a confidentiality agreement exists, these individuals will be so advised and are automatically bound by such agreement.

B. Nondisclosure of Confidential Information, Including Trade Secrets

During their employment with Beacon, many employees will come into possession or acquire knowledge of trade secrets or confidential and proprietary information of Beacon (“Proprietary Information”). Proprietary Information includes any confidential information, whether or not it is so labeled, concerning Beacon’s business that is not available to the public and that could be of value to its competitors. Among other things, Proprietary Information includes, but is not limited to, the following: customer lists; internal information about marketing research, development, production, future business plans, and schedules; confidential customer specifications and job requirements; proposals designed to meet customer needs and requirements; confidential pricing policies, data, and other information; cost and margin information; internal accounting, accounts receivable, and other financial information; and other information that may be designated by Beacon as “Confidential” or “Proprietary” from time to time. The foregoing types of Proprietary Information are highly confidential and valuable to Beacon and give a competitive advantage to

Beacon that could not easily be obtained or duplicated by others who have not been able to acquire such information by virtue of employment with Beacon.

If an employee must disclose any Proprietary Information during the course of his or her employment, the employee must first immediately notify Beacon's Chief Executive Officer. Unless an employee first obtains the prior written consent of Beacon's Chief Executive Officer, the employee shall not communicate or indirectly disclose to any outside person or entity or use at any time (except as expressly authorized and required by the employee's job responsibilities), either during or after his or her employment with Beacon, any Proprietary Information to which the employee has access during employment with Beacon, regardless of whether such information was developed or obtained by the employee during employment with Beacon.

Employees shall retain all such Proprietary Information in strict confidence for the sole benefit of Beacon.

STATEMENT OF COMPLIANCE

I certify that I have read and fully understand the contents of this policy and that I have and will comply with the policies of Beacon, as they may exist from time to time, including any modifications or supplementations, in my activities conducted on behalf of Beacon and its subsidiaries. Any activity that appears to be in violation of or inconsistent with these policies will be brought to the attention of management. Employees found to be violating this policy are subject to disciplinary action, up to and including termination, and may also be subject to injunctive relief and/or civil damages and criminal prosecution for violations of this policy depending on the nature and severity of the violation.

Employee Certification:

Dated: _____

NAME (print or type)

SIGNATURE

TITLE